MARRERO / J

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

FEDERAL INSURANCE COMPANY a/s/o AAA MID-ATLANTIC, INC., Plaintiff, v. **AMERICAN HOME ASSURANCE COMPANY and NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.,** Defendants.	Civil Action No. 1:07-cv-6422-VM **USDS SDNY** **DOCUMENT** **ELECTRONICALLY FILED** **DOC #:** ________ **DATE FILED:** 9-14-07

CONSENT PROTECTIVE ORDER

Pursuant to the applicable provisions of Fed. R. Civ. P. 26(b) and Fed. R. Civ. P. 29, it is hereby on this ________ day of ________________, 2007, Ordered as follows:

This Protective Order is being entered into because the parties are here to recognize that if made publicly known, the "Confidential Information," as defined below, potentially could put the producing party at a disadvantage, as the possessor/producing party of this information asserts that it is subject to the attorney-client privilege, work product and/or common interest doctrines, and/or contains trade secrets or other proprietary, confidential information and/or is otherwise protected by law from disclosure.

Proceedings and Information Governed

1. This Order and any amendments or modifications hereto ("Protective Order") shall govern any document, information or other thing furnished by any party to any other party, as well as any document produced voluntarily, pursuant to subpoena or otherwise, by any third party. The information protected includes answers to interrogatories, answers to requests for admissions,

responses to requests for production of documents, deposition transcripts and recordings, deposition exhibits, and other documents, digital information, writings or things produced, given or filed in this action, copies, excerpts, abstracts, analyses, summaries, descriptions, or other forms of recorded information containing, reflecting or disclosing such information.

Nothing contained in this Order shall be construed to require or authorize the disclosure of documentation or information by the parties which concerns the conduct of the DJ Action (as defined herein) and which is otherwise protected by the attorney-client privilege and/or work product and/or common interest doctrines and/or is otherwise protected as trade secrets or proprietary, confidential information. Nor shall anything contained in this Order operate as a waiver of any privilege with respect to documents or information designated as Confidential Information.

Definitions

2. For purposes of this Protective Order, the following definitions shall apply:

a. "Confidential Information" shall mean that the document, information or other thing furnished contains information which would otherwise be protected from disclosure under the attorney-client privilege, work product and/or common interest doctrines as proprietary information subject to protection as a trade secret, or which would be protected from disclosure on any other legal basis. Such Confidential Information shall include, but not necessarily be limited to: (1) information concerning the defense of the Underlying Cannon Litigation (as defined below), (2) information concerning any insurance policies issued to the American Automobile Association ("AAA") and/or AAA Mid-Atlantic, Inc. ("AAAMA"), including but not limited to, the negotiating, placement, procurement, rating and premiums calculation therefore, and (3) information regarding the products and/or services, contracts, business plans, strategies and relations, marketing and promotional undertakings of AAA and/or AAAMA or any motor club affiliated with them, except to the extent that said documents were made available to the public in the trial of the Underlying Cannon Litigation (as defined below).

b. "DJ Action" shall mean the within litigation.

c. "Underlying Cannon Litigation" shall mean the litigation styled Cannon v. E&D Auto Repair Towing, et al., Docket No. MID-L-677-02 (Superior Court of New Jersey, Middlesex County).

Designation and Maintenance of Information

3. In designating materials Confidential Information, the disclosing party or third party will make that designation only as to that information which it in good faith believes contains or constitutes Confidential Information under the terms of this Protective Order. Production of Confidential Information pursuant to the terms of this Protective Order shall in no way act or be used against the producing party or third party as a waiver of any applicable privilege or protection.

Documents and things produced during the course of this litigation within the scope of this Protective Order may be designated by the producing party as containing Confidential Information by placing on each page and/or each thing a legend substantially as follows:

CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER

A party or third party may designate information disclosed at a deposition as Confidential Information by requesting the reporter to so designate the transcript or any portion thereof at the time of the deposition.

If no such designation is made at the time of the deposition or production of documents or things, any party or the testifying or producing third party shall have 30 calendar days after the receipt of the document, thing or deposition transcript to, by written notice to all other parties, designate all or any portion thereof as Confidential Information. Any document, thing or deposition transcript thus designated as Confidential Information shall thereafter be treated in accordance with this Protective Order, and shall be stamped with the legend: **CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER.** If no such designation is made within such 30 calendar day period (during which period, the document, thing or deposition transcript shall be treated as Confidential Information, unless the disclosing party consents to less restrictive treatment of the information), the entire document, thing or deposition transcript will be considered devoid of Confidential Information.

It is the responsibility of counsel for each party to maintain materials containing Confidential Information in a secure manner and appropriately identified so as to allow access to such information only to such persons and under such terms as is permitted under this Protective Order.

Inadvertent Failure to Designate

4. The inadvertent failure to designate any information as Confidential Information will not be deemed to waive a later claim as to its confidential nature, or to stop the producing party from designating such information as Confidential Information at a later date in writing and with particularity. The information shall be treated by the receiving party as Confidential Information from the time the receiving party is notified in writing of the change in the designation.

Disclosure and Use of Confidential Information

5. Information designated as Confidential Information may be used only for any and all purposes in the litigation and appeal of the DJ Action. Confidential Information may not be used under any circumstances for any other purpose.

a. Any information designated as Confidential Information and any notes, work papers or other documents prepared therefrom that contain or refer to such Confidential Information, may be disclosed only to:

(1) officers, directors or employees of the parties, who are involved with and/or working on the DJ Action to the extent necessary to perform such work;

(2) counsel who enter appearances for a party to the DJ Action, and the members of their respective firms, their employees, paralegals, and clerical personnel;

(3) experts or consultants retained for the purpose of the DJ Action;

(4) present or former officers, directors, employees, representatives or agents of one of the parties (i) preparatory for, during the taking of that person's deposition, and/or during the review of said deposition; (ii) in the course of preparing responses to written discovery requests; (iii) preparatory for the making of any affidavit for filing with the Court, (iv) preparatory for or during that person's testimony at trial; or (v) for purposes of interviewing that person to obtain information which is relevant to the DJ Action;

(5) judges and court personnel (including stenographic reporters);

(6) any persons requested by counsel to furnish services such as document coding, image scanning, mock trial, jury profiling, translation, court reporting, demonstrative exhibit preparation, or the creation of any computer database from documents; and

(7) witnesses during the course of his/her depositions; however, unless the witness is a person described in subparagraphs 5(a)(1) through (4) of this Order, the witness shall not be entitled to retain possession of any such Confidential Information following the completion of his deposition, except where necessary for reading of deposition transcript before signing, in which case the witness shall return any such Confidential Information to counsel who disclosed it to him/her during the course of his/her deposition immediately after reading and signing; and

b. This Order shall be understood to permit the parties to share Confidential Information with their respective reinsurers and retrocessionaires as is reasonably necessary.

c. Notwithstanding any other provision of this Order, prior to delivery, exhibition or disclosure of any information designated Confidential Information to any person (other than counsel of record in the DJ Action), such person shall first be provided with a copy of this Order. Any person receiving a copy of this Order pursuant to this paragraph shall sign an acknowledgement that he/she has received this Order, and that he/she will abide by all applicable terms of this Order.

6. Confidential Information may be disclosed to a person, not already allowed access to such information under this Protective Order, if:

a. The information was previously received or authored by the person or was authored or received by a director, officer, employee or agent of the company for which the person is testifying as a corporate designee; or

b. Counsel for the party designating the material agrees that the material may be disclosed to the person.

Disclosure of information pursuant to this paragraph 6 shall not constitute a waiver of the Confidential status of the information so disclosed.

Non-Party Information

7. The existence of this Protective Order shall be disclosed to any person producing documents, tangible things or testimony in this action who may reasonably be expected to desire Confidential treatment for such documents, tangible things or testimony. Any such person may designate documents, tangible things or testimony Confidential pursuant to this Protective Order.

Filing Documents With the Court

8. A receiving party who wishes to file with the Court information designated Confidential Information must file the designated information under seal, setting forth the nature of the designated information and the specific reasons that warrant sealing that information or category

of information, as required by the Rules of Court. The Court will determine whether good cause exists to maintain the designated information under seal.

No Prejudice

9. Producing or receiving Confidential Information, or otherwise complying with the terms of this Protective Order, shall not: (a) operate as an admission by any party that any particular Confidential Information contains or reflects trade secrets or any other type of Confidential or proprietary information; (b) prejudice the rights of a party to object to the production of information or material that the party does not consider to be within the scope of discovery; (c) prejudice the rights of a party to seek a determination by the Court that particular materials be produced; (d) prejudice the rights of a party to apply to the Court for further protective orders; (e) prevent the parties from agreeing in writing to alter or waive the provisions or protections provided for herein within respect to any particular information or material; or (f) operate as a waiver of any party's rights in this litigation, other than as specifically set forth herein.

Conclusion of Litigation

10. Unless otherwise provided by law, within 60 calendar days after final judgment in this action, including the exhaustion of all appeals, or within 60 calendar days after dismissal pursuant to a settlement agreement, each party or other person subject to the terms of this Protective Order shall be under an obligation to destroy or return to the producing party all materials and documents produced by that party and containing Confidential Information, and to certify to the producing party such destruction or return. However, outside counsel for any party shall be entitled to retain all court papers, transcripts, exhibits and attorney work provided that any such materials are maintained and protected in accordance with the terms of this Protective Order and as may be required by law or Rules of Professional Conduct.

Other Proceedings

11. Nothing contained in this Order shall prohibit any person or party from disclosing any designated Confidential Information:

a. To any governmental authority or agency pursuant to the valid exercise by any governmental authority or agency of the powers and authorities granted to it by law, provided that the party which produced the Confidential Information is given notice, as soon as possible, that said information will be produced so that the producing party may challenge the production of said information in the appropriate legal forum; or

b. To any person or entity pursuant to the valid and legal use of compulsory process, including the exercise of subpoena powers, provided that the party which produced the Confidential Information is given notice, as soon as possible that said information will be produced so that the producing party may challenge the production of said information in the appropriate legal forum.

Remedies

12. It is Ordered by the Court that this Protective Order will be enforced by the sanctions set forth in Rules of Court and such other sanctions as may be available to the Court, including the power to hold parties or other violators of this Protective Order in contempt. All other remedies available to any person(s) injured by a violation of this Protective Order are fully reserved.

Modifications

13. The Protective Order shall be subject to modification by the Court at any time. In addition, any party may petition the Court, for good cause shown, in the event such party desires relief from a term or condition of this Order. This Order shall not be deemed a waiver by the parties of their right to object to discovery on any grounds provided by law, and does not compel any party or other person or entity to produce any information. This Order is without prejudice to the right of

any party to move for a separate protective order relating to any particular document or information, including restrictions which are different from those specified herein, and/or to present other motions seeking relief as may be deemed appropriate.

We hereby consent to the form and entry of this Order:

GOODMAN & JACOBS, LLP
75 Broad Street - 30th Floor
New York, New York 10004
Tel: (212) 385-1191
Fax: (212) 385-1770

By: ____________________
JUDITH F. GOODMAN (JFG-7031)

Attorney for Plaintiff

Date 9/12/07

SCHWARTZ SIMON EDELSTEIN
CELSO & KESSLER, LLC
44 Whippany Road, Suite 210
P.O. Box 2355
Morristown, NJ 07962-2355
Tel: (973) 301-0001
Fax: (973) 993-3152

By: ____________________
LISA C. WOOD, ESQ. (LCW-2628)

Attorney for Defendants

Date: 9/12/07

SO ORDERED:
13 September 2007

U.S.D.J.
Victor Marrero